

Note 16- Restatement of Fund Balance and Net Assets (Continued)

Component Units

As previously described in Note 1, The Private Industry Council of Milwaukee County is no longer a component unit of Milwaukee County. As a result, total component unit net assets have been restated as follows:

	Component Units
Net Assets, December 31, 2006 (as reported)	\$ 5,604
Add (Deduct):	
Remove Net Assets of Private Industry Council	16
Net Assets, December 31, 2006 (as restated)	<u>\$ 5,620</u>

Note 17- Pending Governmental Accounting Standards

In November 2006, GASB issued Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. This Statement provides guidance on accounting and financial reporting for pollution (including contamination) remediation obligations which result from remediation activities to address existing pollution problems. Pollution *prevention* or *control* activities with respect to current operations are excluded from this Statement. Future pollution remediation activities required upon retirement of an asset, such as landfill closure, are addressed under previous statements. The County is required to implement Statement No. 49 for the fiscal year ending December 31, 2008. The County will examine the requirements of this Statement to determine if it is applicable to any County activities and its potential financial impact.

In June 2007, GASB issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. This Statement requires governmental entities to assign a value to and capitalize intangible assets. GASB defines an intangible asset as an asset that lacks physical substance, is non-financial in nature, and has a useful life of more than one year. The County is required to implement Statement No. 51 for the fiscal year ending December 31, 2010. The County will examine the requirements of this Statement to determine if it is applicable to the County and its potential financial impact.

REQUIRED SUPPLEMENTARY INFORMATION

Schedules of Funding Progress and Employer Contributions

Employee's Retirement System

Retirement System

Substantially all full-time employees of the County are participants in the Employees' Retirement System of the County of Milwaukee (Retirement System), which is a single-employer defined benefit pension plan that is non-contributory.

OBRA

The County established the OBRA 1990 Retirement System of the County of Milwaukee to cover seasonal and certain temporary employees who are not enrolled in the Retirement System.

Other Postemployment Benefits (OPEB)

Countywide Program

The County administers single-employer defined benefit healthcare and life insurance plans for retired employees. The plan provides health and life insurance contributions for eligible retirees and their spouses through the County's self-insured health insurance plans and the County's group life insurance plan.

Transit System Program

Milwaukee Transport Services, Inc provides single-employer defined benefit healthcare and life insurance benefits for retired employees. The retiree healthcare and life insurance benefits are provided pursuant to the general labor agreement between the Transit System and the Amalgamated Transit Union Local 998 and the Office and Professional Employees International Union Local 35.

County Of Milwaukee
Required Supplementary Information
Schedules of Funding Progress-Pension Plan
(In Thousands of Dollars)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability- AAL (b)	Funded Ratio (a/b)	(Overfunded) Unfunded AAL- UAAL (b-a)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
<u>Retirement System</u>						
1/1/08	\$ 1,627,288	\$ 2,024,923	80.36%	\$ 397,635	\$ 227,364	174.88%
1/1/07	1,525,532	1,931,220	78.99%	405,688	223,005	181.92%
1/1/06	1,454,302	1,909,321	76.17%	455,019	225,722	201.58%
1/1/05	1,424,918	1,782,884	79.90%	357,966	209,796	170.60%
1/1/04	1,446,726	1,707,999	84.70%	261,273	233,478	111.90%
1/1/03	1,446,860	1,542,045	93.80%	95,185	234,679	40.60%
<u>OBRA</u>						
1/1/08	\$ 1,355	\$ 4,077	33.23%	\$ 2,722	\$ 8,284	32.8%
1/1/07	1,261	3,843	32.80%	2,582	7,057	36.6%
1/1/06	1,090	3,530	30.90%	2,440	8,353	29.2%
1/1/05	944	2,872	32.90%	1,928	8,406	22.9%
1/1/04	790	2,535	31.15%	1,745	8,397	20.8%
1/1/03	674	2,049	32.90%	1,376	8,596	16.0%

* These amounts represent actuarial value of assets in excess of actuarial accrued liabilities.

Note: Analysis of the dollar amounts of plan assets, actuarial accrued liability, and unfunded (overfunded) actuarial accrued liability in isolation can be misleading. Expressing plan net assets as a percentage of the actuarial accrued liability provides one indication of the Retirement System's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Retirement System. Trends in the unfunded actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids the analysis of the Retirement System's progress in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, or the larger the percentage, if negative, the stronger the Retirement System.

County Of Milwaukee
Required Supplementary Information
Schedules of Employer Contributions-Pension Plan
For the Year Ended December 31
(In Thousands of Dollars)

	Fiscal Year	Annual Pension Costs (APC)	Annual Required Contribution (ARC)	Contribution	Percentage APC Contributed	Net Pension Obligation
<u>Retirement System</u>						
	2007	\$ 48,024	\$ 52,395	\$ 49,291	102.64%	\$ 24,369
	2006	52,548	52,638	27,435	52.20%	25,636
	2005	37,608	37,438	35,415	94.16%	-
	2004	33,248	33,248	35,249	106.02%	(2,000)
	2003	25,242	23,131	33,981	134.62%	-
	2002	8,528	7,536	2,580	30.25%	10,914
<u>OBRA</u>						
	2007	\$ 477	\$ 486	\$ 529	108.85%	\$ -
	2006	481	499	462	96.05%	-
	2005	386	386	365	94.56%	-
	2004	338	338	348	103.10%	-
	2003	280	280	280	100.00%	-
	2002	275	275	275	100.00%	-

County Of Milwaukee
Required Supplementary Information
Schedules of Funding Progress-OPEB
(In Thousands of Dollars)

	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability-	Funded Ratio	(Overfunded) Underfunded AAL- UAAL	Covered Payroll	UAAL as a Percentage of Covered Payroll
<u>County-wide Program</u>	01/01/06	\$ -	\$ 1,313,632	0.0%	\$ 1,313,632	\$ 99,327	1,322.5%
<u>Transit System Program</u>	12/31/06	\$ -	\$ 181,862	0.0%	\$ 181,862	\$ 61,732	294.6%

Note: Analysis of the dollar amounts of plan assets, actuarial accrued liability, and unfunded (overfunded) actuarial accrued liability in isolation can be misleading. Expressing plan net assets as a percentage of the actuarial accrued liability provides one indication of the OPEB's program's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the OPEB program. Trends in the unfunded actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids the analysis of the OPEB program's progress in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, or the larger the percentage, if negative, the stronger the OPEB program.

County Of Milwaukee
Required Supplementary Information
Schedules of Employer Contributions-OPEB
For the Year Ended December 31
(In Thousands of Dollars)

	<u>Fiscal Year</u>	<u>Annual OPEB Costs</u>	<u>Annual Required Contribution</u>	<u>Net Employer Contribution</u>	<u>Net OPEB Obligation</u>	<u>Employer Percentage Contributed</u>
<u>County-Wide Program</u>	2007	\$ 109,598	\$ 109,598	\$ 60,076	\$ 49,522	54.8%

	<u>Fiscal Year</u>	<u>Annual OPEB Costs</u>	<u>Annual Required Contribution</u>	<u>Net Employer Contribution</u>	<u>Net OPEB Asset</u>	<u>Employer Percentage Contributed</u>
<u>Transit System Program</u>	2007	\$17,189	\$17,189	\$19,033	\$(1,844)	110.7%



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OTHER SUPPLEMENTARY INFORMATION

Combining and Individual Fund Financial Statements and Schedules



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BUDGETARY COMPARISON

COUNTY OF MILWAUKEE
Statement of Revenues, Expenditures and
Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2007
(In Thousands)

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Intergovernmental	\$ 357,734	\$ 362,266	\$ 363,920	\$ 1,654
Property Taxes	242,448	242,529	243,144	615
Sales Taxes	65,922	65,922	62,981	(2,941)
Charges for Services	320,265	342,625	337,014	(5,611)
Fines and Forfeits	3,558	3,558	3,571	13
Licenses and Permits	437	437	552	115
Investment Income and Rents	10,657	10,657	17,741	7,084
Other	32,351	32,054	26,922	(5,132)
Total Revenues	<u>1,033,372</u>	<u>1,060,048</u>	<u>1,055,845</u>	<u>(4,203)</u>
Expenditures:				
Current:				
County Board	5,616	5,527	5,326	201
Department of Audit	2,500	2,375	2,260	115
Veterans Service	293	295	241	54
Disadvantaged Business Development	686	798	594	204
Procurement	868	722	521	201
Employee Benefits	1,964	2,058	1,611	447
Labor Relations	523	501	460	41
Office of Handicapped	843	897	783	114
County Executive	939	914	884	30
Civil Service Commission	63	72	58	14
Personnel Review Board	164	178	171	7
Corporation Counsel	1,763	1,798	1,412	386
Department of Human Resources	3,334	2,683	2,290	393
Department of Administrative Services	3,300	3,458	3,418	40
Housing	15,000	17,044	17,704	(660)
Legislative, Executive and Staff	<u>37,856</u>	<u>39,320</u>	<u>37,733</u>	<u>1,587</u>
County-funded State Court Services	42,713	43,268	43,139	129
Child Support Enforcement	20,877	20,610	18,689	1,921
Courts and Judiciary	<u>63,590</u>	<u>63,878</u>	<u>61,828</u>	<u>2,050</u>
Election Commission	592	607	579	28
County Treasurer	1,336	1,423	1,333	90
County Clerk	717	714	734	(20)
Register of Deeds	4,993	6,730	5,575	1,155
General Governmental Services	<u>7,638</u>	<u>9,474</u>	<u>8,221</u>	<u>1,253</u>
Sheriff	77,810	76,274	75,828	446
House of Correction	49,802	49,828	50,887	(1,059)
District Attorney	17,796	18,521	17,654	867
Public Safety and Non-Departmental Court	3,449	3,482	3,671	(189)
Public Safety	<u>148,857</u>	<u>148,105</u>	<u>148,040</u>	<u>65</u>
Highway Maintenance	16,500	16,470	15,978	492
Administration	206	250	216	34
Public Works and Highways	<u>16,706</u>	<u>16,720</u>	<u>16,194</u>	<u>526</u>

COUNTY OF MILWAUKEE
Statement of Revenues, Expenditures and
Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2007
(In Thousands)

	Original Budget	Final Budget	Actual	Variance With Final Budget
County Health Related Programs	\$ 62,361	\$ 61,537	\$ 61,151	\$ 386
Department on Aging	19,181	19,411	18,740	671
Department on Aging -- CMO	161,666	178,141	176,367	1,774
DHHS - Behavioral Health Division	170,063	172,764	169,189	3,575
Department of Human Services	191,163	194,536	195,176	(640)
Human Services	<u>604,434</u>	<u>626,389</u>	<u>620,623</u>	<u>5,766</u>
Department of Parks	40,143	39,863	38,773	1,090
Zoological Department	21,407	21,527	20,643	884
UW Extension Service	332	399	264	135
Parks, Recreation and Culture	<u>61,882</u>	<u>61,789</u>	<u>59,680</u>	<u>2,109</u>
Other	<u>2,414</u>	<u>19,660</u>	<u>5,849</u>	<u>13,811</u>
Total Expenditures	<u>943,377</u>	<u>985,335</u>	<u>958,168</u>	<u>27,167</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>89,995</u>	<u>74,713</u>	<u>97,677</u>	<u>22,964</u>
Other Financing Sources (Uses):				
Application of Fund Balance				
Reserved for 2007 Appropriations	4,664	4,664	4,664	-
Transfers In	-	-	68,506	68,506
Transfers Out	(88,303)	(73,021)	(162,030)	(89,009)
Transfers To Component Units	<u>(6,356)</u>	<u>(6,356)</u>	<u>(6,356)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(89,995)</u>	<u>(74,713)</u>	<u>(95,216)</u>	<u>(20,503)</u>
Net Change in Fund Balance	-	-	2,461	2,461
Fund Balances -- Beginning (As Restated)	<u>40,531</u>	<u>40,531</u>	<u>40,531</u>	<u>-</u>
Fund Balances -- Ending	<u>\$ 40,531</u>	<u>\$ 40,531</u>	<u>\$ 42,992</u>	<u>\$ 2,461</u>

COUNTY OF MILWAUKEE
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis)
Debt Service Fund
For the Year Ended December 31, 2007
(In Thousands)

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Other	\$ 6,514	\$ 6,664	\$ 5,471	\$ (1,193)
Total Revenues	<u>6,514</u>	<u>6,664</u>	<u>5,471</u>	<u>(1,193)</u>
Expenditures:				
Current -- Other	-	-	70	(70)
Debt Service:				
Principal Retirement	31,362	31,362	31,063	299
Interest	<u>15,667</u>	<u>15,667</u>	<u>15,473</u>	<u>194</u>
Total Expenditures	<u>47,029</u>	<u>47,029</u>	<u>46,606</u>	<u>423</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(40,515)</u>	<u>(40,365)</u>	<u>(41,135)</u>	<u>(770)</u>
Other Financing Sources (Uses):				
Wisconsin Trust Fund Proceeds	-	315	-	(315)
Transfers In	37,103	36,638	46,783	10,145
Transfers Out	<u>-</u>	<u>-</u>	<u>(5,150)</u>	<u>(5,150)</u>
Total Other Financing Sources (Uses)	<u>37,103</u>	<u>36,953</u>	<u>41,633</u>	<u>4,680</u>
Net Change in Fund Balance	(3,412)	(3,412)	498	3,910
Fund Balances - Beginning	<u>5,573</u>	<u>5,573</u>	<u>5,573</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 2,161</u>	<u>\$ 2,161</u>	<u>\$ 6,071</u>	<u>\$ 3,910</u>

COUNTY OF MILWAUKEE
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
(Non-GAAP Budgetary Basis)
Capital Projects Fund
For the Year Ended December 31, 2007
(In Thousands)

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Intergovernmental	\$ 8,840	\$ 23,853	\$ 6,894	\$ (16,959)
Sales Tax	632	632	632	-
Investment Income and Rents	697	711	1,355	644
Other	2,612	6,309	1,936	(4,373)
Total Revenues	<u>12,781</u>	<u>31,505</u>	<u>10,817</u>	<u>(20,688)</u>
Expenditures:				
Capital Outlay	<u>46,009</u>	<u>80,289</u>	<u>57,842</u>	<u>22,447</u>
Total Expenditures	<u>46,009</u>	<u>80,289</u>	<u>57,842</u>	<u>22,447</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(33,228)</u>	<u>(48,784)</u>	<u>(47,025)</u>	<u>1,759</u>
Other Financing Sources (Uses):				
General Obligation Bonds Issued	33,228	34,007	33,625	(382)
Transfers In	-	14,927	22,508	7,581
Transfers Out	-	-	(23,367)	(23,367)
Total Other Financing Sources (Uses)	<u>33,228</u>	<u>48,934</u>	<u>32,766</u>	<u>(16,168)</u>
Net Change in Fund Balance	-	150	(14,259)	(14,409)
Fund Balances - Beginning	<u>7,987</u>	<u>7,987</u>	<u>7,987</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 7,987</u>	<u>\$ 8,137</u>	<u>\$ (6,272)</u>	<u>\$ (14,409)</u>

COUNTY OF MILWAUKEE
Schedule of Revenues, Expenses and Changes in Fund Net Assets-Budget and Actual
(Non-GAAP Budgetary Basis)
Airports Enterprise Fund
For the Year Ended December 31, 2007
(In Thousands)

	Original Budget	Final Budget	Actual	Variance With Final Budget
Operating Revenues:				
Rentals and Other Service Fees	\$ 54,638	\$ 57,903	\$ 52,226	\$ (5,677)
Admissions and Concessions	11,609	11,609	12,320	711
Total Charges for Services	66,247	69,512	64,546	(4,966)
Other Revenues	13	13	13	-
Total Operating Revenues	66,260	69,525	64,559	(4,966)
Operating Expenses:				
Personnel Services	18,997	18,193	18,760	(567)
Contractual Services	15,174	17,646	16,961	685
Intra-County Services	9,029	8,905	9,849	(944)
Commodities	2,130	2,255	2,460	(205)
Depreciation and Amortization	12,361	12,361	13,795	(1,434)
Maintenance	432	1,032	621	411
Other	755	1,116	1,294	(178)
Total Operating Expenses	58,878	61,508	63,740	(2,232)
Operating Income (Loss)	7,382	8,017	819	(7,198)
Nonoperating Revenues (Expenses):				
Intergovernmental Revenues	120	120	35	(85)
Investment Income	678	678	2,070	1,392
Interest Expense	(8,490)	(8,490)	(7,203)	1,287
Total Nonoperating Revenues (Expenses)	(7,692)	(7,692)	(5,098)	2,594
Income (Loss) Before Transfers	(310)	325	(4,279)	(4,604)
Add Depreciation on Capital Assets				
Acquired by Capital Grants that Reduces				
Contributed Capital From Capital Grants	3,106	3,106	8,124	5,018
Transfers In	-	-	9,402	9,402
Transfers Out	(2,796)	(3,431)	(12,238)	(8,807)
Change in Net Assets	\$ -	\$ -	\$ 1,009	\$ 1,009

COUNTY OF MILWAUKEE
Schedule of Revenues, Expenses and Changes in Fund Net Assets-Budget and Actual
(Non-GAAP Budgetary Basis)
Transit Enterprise Fund
For the Year Ended December 31, 2007
(In Thousands)

	Original Budget	Final Budget	Actual	Variance With Final Budget
Operating Revenues:				
Rentals and Other Service Fees	\$ 140	\$ 140	\$ 104	\$ (36)
Transit Fares	49,452	49,452	48,411	(1,041)
Total Charges for Services	49,592	49,592	48,515	(1,077)
Other Revenues	8,468	8,468	3,928	(4,540)
Total Operating Revenues	58,060	58,060	52,443	(5,617)
Operating Expenses:				
Personnel Services	113,227	113,227	110,021	3,206
Contractual Services	24,458	24,462	26,235	(1,773)
Intra-County Services	604	604	725	(121)
Commodities	13,994	13,994	14,255	(261)
Depreciation and Amortization	12,223	12,223	13,023	(800)
Maintenance	577	834	672	162
Other	5,719	6,299	3,718	2,581
Total Operating Expenses	170,802	171,643	168,649	2,994
Operating Income (Loss)	(112,742)	(113,583)	(116,206)	(2,623)
Nonoperating Revenues (Expenses):				
Intergovernmental Revenues	82,634	83,300	82,513	(787)
Interest Expense	(1,050)	(1,050)	(1,008)	42
Total Nonoperating Revenues (Expenses)	81,584	82,250	81,505	(745)
Income (Loss) Before Transfers	(31,158)	(31,333)	(34,701)	(3,368)
Add Depreciation on Capital Assets				
Acquired by Capital Grants that Reduces				
Contributed Capital From Capital Grants	9,998	9,998	1,408	(8,590)
Transfers In	21,160	21,335	25,093	3,758
Transfers Out	-	-	(3,184)	(3,184)
Change in Net Assets	\$ -	\$ -	\$ (11,384)	\$ (11,384)



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COMBINING STATEMENTS

Other Governmental Funds

Special Revenue Funds

The Special Revenue Funds are used to account for endowments, bequests and restricted donations, where the principal may be expended in the course of their designated operations. The specific purpose of each Special Revenue Fund is as follows:

Zoo - Purchase of animals and maintenance of the miniature passenger railroad.

Parks - Enhancement of the Todd Wehr Nature Center and restoration of the Trimborn Farm as a historic park.

Persons with Disabilities - Special projects to help free disabled persons from environmental and attitudinal barriers.

Behavioral Health Division - Mental health research, patient activities and special events. This fund also accounts for the compensated absence liability of the Behavioral Health Division accumulated prior to January 1, 2007.

Airport – Receipt of Passenger Facility Charge revenue from Mitchell International Airport, plus the expenditure of these funds for Federal Aviation Administration (FAA) approved capital projects at the Airport. In addition, the fund maintains assets held for debt security of a local airline.

Health and Safety – established for Risk Management to work with the countywide safety committee to address safety issues countywide. It also funds the cost associated with new employee screenings.

COUNTY OF MILWAUKEE
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2007
(In Thousands)

	Special Revenue Funds						Total Nonmajor Governmental Funds
	Zoo	Parks	Persons with Disabilities	Behavioral Health Division	Airport	Health and Safety	
ASSETS							
Cash and Investments	\$ 665	\$ 853	\$ 124	\$ 9,671	\$ -	\$ 112	\$ 11,425
Cash and Investments -- Restricted	-	-	-	-	32,603	-	32,603
Total Assets	<u>\$ 665</u>	<u>\$ 853</u>	<u>\$ 124</u>	<u>\$ 9,671</u>	<u>\$ 32,603</u>	<u>\$ 112</u>	<u>\$ 44,028</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts Payable	\$ 77	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77
Other Liabilities	1	-	-	-	-	-	1
Total Liabilities	<u>78</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>78</u>
Fund Balances:							
Reserved	587	853	124	9,671	32,603	112	43,950
Total Fund Balances	<u>587</u>	<u>853</u>	<u>124</u>	<u>9,671</u>	<u>32,603</u>	<u>112</u>	<u>43,950</u>
Total Liabilities and Fund Balances	<u>\$ 665</u>	<u>\$ 853</u>	<u>\$ 124</u>	<u>\$ 9,671</u>	<u>\$ 32,603</u>	<u>\$ 112</u>	<u>\$ 44,028</u>

COUNTY OF MILWAUKEE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2007
(In Thousands)

	Special Revenue Funds						Total Nonmajor Governmental Funds
	Zoo	Parks	Persons with Disabilities	Behavioral Health Division	Airport	Health and Safety	
Revenues:							
Investment Income and Rents	\$ 39	\$ 1	\$ 5	\$ -	\$ 1,270	\$ -	\$ 1,315
Charges for Services	709	71	-	-	9,684	-	10,464
Other	58	74	7	-	-	42	181
Total Revenues	<u>806</u>	<u>146</u>	<u>12</u>	<u>-</u>	<u>10,954</u>	<u>42</u>	<u>11,960</u>
Expenditures:							
Current:							
Public Works and Highways	-	-	-	-	12,479	-	12,479
Human Services	-	-	3	604	-	-	607
Parks, Recreation and Culture	772	4	-	-	-	-	776
Total Expenditures	<u>772</u>	<u>4</u>	<u>3</u>	<u>604</u>	<u>12,479</u>	<u>-</u>	<u>13,862</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>34</u>	<u>142</u>	<u>9</u>	<u>(604)</u>	<u>(1,525)</u>	<u>42</u>	<u>(1,902)</u>
Net Changes in Fund Balance	34	142	9	(604)	(1,525)	42	(1,902)
Fund Balances -- Beginning (Restated)	553	711	115	10,275	34,128	70	45,852
Fund Balances -- Ending	<u>\$ 587</u>	<u>\$ 853</u>	<u>\$ 124</u>	<u>\$ 9,671</u>	<u>\$ 32,603</u>	<u>\$ 112</u>	<u>\$ 43,950</u>



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COMBINING STATEMENTS

Internal Service Funds

Information Management Services

This fund is used to account for electronic data processing, graphics and telecommunication services provided to County departments.

Public Works Services

This fund is used to account for various services provided to other County departments including:

Professional Services - provides engineering, architectural and administrative services.

Facilities Management - provides custodial and equipment maintenance services.

Fleet Maintenance - controls, supervises and maintains all automotive equipment owned by the County.

Risk Management

This fund accounts for risk financing, loss control and insurance-related activities for the County and its employees.

COUNTY OF MILWAUKEE
Combining Balance Sheet
Internal Service Funds
December 31, 2007
(In Thousands)

	Information Management Services	Public Works Services	Risk Management	Total
<u>Assets</u>				
Current Assets:				
Cash and Investments	\$ 5,092	\$ 8,165	\$ 9,309	\$ 22,566
Accounts Receivable (Net of Allowances for Uncollectible Accounts)	63	949	-	1,012
Inventories	-	648	-	648
Prepaid Items	148	-	-	148
Total Current Assets	<u>5,303</u>	<u>9,762</u>	<u>9,309</u>	<u>24,374</u>
Capital Assets:				
Land	-	1,382	-	1,382
Construction in Progress	610	5,912	-	6,522
Land Improvements	-	10,087	-	10,087
Building and Improvements	1,046	100,262	-	101,308
Furniture, Machinery and Equipment	34,889	41,657	114	76,660
Total Capital Assets	<u>36,545</u>	<u>159,300</u>	<u>114</u>	<u>195,959</u>
Less Accumulated Depreciation	<u>(26,379)</u>	<u>(111,917)</u>	<u>(111)</u>	<u>(138,407)</u>
Net Capital Assets	<u>10,166</u>	<u>47,383</u>	<u>3</u>	<u>57,552</u>
Total Assets	<u>\$ 15,469</u>	<u>\$ 57,145</u>	<u>\$ 9,312</u>	<u>\$ 81,926</u>
<u>Liabilities</u>				
Current Liabilities:				
Accounts Payable	\$ 829	\$ 851	\$ 110	\$ 1,790
Accrued Interest	155	392	-	547
Unearned Revenues	-	220	-	220
Bonds and Notes Payable - General Obligation	1,562	3,553	-	5,115
Compensated Absences	880	1,887	45	2,812
Risk Claims	-	-	5,583	5,583
Total Current Liabilities	<u>3,426</u>	<u>6,903</u>	<u>5,738</u>	<u>16,067</u>
Long-Term Liabilities:				
Bonds and Notes Payable - General Obligation	12,058	25,686	-	37,744
Compensated Absences	1,008	1,964	63	3,035
Risk Claims	-	-	3,406	3,406
Other Post Employment Benefits	797	3,319	99	4,215
Total Long-Term Liabilities	<u>13,863</u>	<u>30,969</u>	<u>3,568</u>	<u>48,400</u>
Total Liabilities	<u>17,289</u>	<u>37,872</u>	<u>9,306</u>	<u>64,467</u>
<u>Net Assets</u>				
Unrestricted	1,634	623	3	2,260
Invested in Capital Assets, Net of Related Debt	<u>(3,454)</u>	<u>18,650</u>	<u>3</u>	<u>15,199</u>
Total Net Assets	<u>(1,820)</u>	<u>19,273</u>	<u>6</u>	<u>17,459</u>
Total Liabilities and Net Assets	<u>\$ 15,469</u>	<u>\$ 57,145</u>	<u>\$ 9,312</u>	<u>\$ 81,926</u>

COUNTY OF MILWAUKEE
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Internal Service Funds
For The Year Ended December 31, 2007
(In Thousands)

	Information Management Services	Public Works Services	Risk Management	Total
Operating Revenues:				
Charges for Services	\$ -	\$ 28,181	\$ 7,492	\$ 35,673
Other	108	341	174	623
Total Operating Revenues	<u>108</u>	<u>28,522</u>	<u>7,666</u>	<u>36,296</u>
Operating Expenses:				
Personnel Services	9,844	27,280	592	37,716
Contractual Services	5,876	7,368	52	13,296
Intra-County Services	(168)	2,044	2	1,878
Commodities	322	2,442	2	2,766
Depreciation and Amortization	2,706	5,253	1	7,960
Maintenance	217	1,090	-	1,307
Insurance and Claims	-	-	6,881	6,881
Other	-	1,296	-	1,296
Total Operating Expenses	<u>18,797</u>	<u>46,773</u>	<u>7,530</u>	<u>73,100</u>
Operating Income (Loss)	<u>(18,689)</u>	<u>(18,251)</u>	<u>136</u>	<u>(36,804)</u>
Nonoperating Revenues (Expenses):				
Intergovernmental Revenues	196	355	-	551
Nonoperating Revenue	-	96	-	96
Interest Expense	(583)	(1,148)	-	(1,731)
Total Nonoperating Revenues (Expenses)	<u>(387)</u>	<u>(697)</u>	<u>-</u>	<u>(1,084)</u>
Income (Loss) Before Contributions and Transfers	(19,076)	(18,948)	136	(37,888)
Capital Contributions	-	3,979	-	3,979
Transfers In	38,366	19,743	135	58,244
Transfers Out	<u>(21,633)</u>	<u>(2,656)</u>	<u>(278)</u>	<u>(24,567)</u>
Change in Net Assets	(2,343)	2,118	(7)	(232)
Net Assets -- Beginning	523	17,155	13	17,691
Net Assets -- Ending	<u>\$ (1,820)</u>	<u>\$ 19,273</u>	<u>\$ 6</u>	<u>\$ 17,459</u>

COUNTY OF MILWAUKEE
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2007
(In Thousands)

	Information Management Services	Public Works Services	Risk Management	Total
Cash Flows Provided (Used) by Operating Activities:				
Receipts from Customers and Users	\$ 99	\$ 3,868	\$ 674	\$ 4,641
Receipts from Interfund Services	-	24,379	6,992	31,371
Payments to Suppliers	(5,818)	(12,113)	(6,826)	(24,757)
Payments to Employees	(9,096)	(24,227)	(492)	(33,815)
Payments for Interfund Services Used	68	(2,044)	539	(1,437)
Net Cash Flows Provided (Used) by Operating Activities	<u>(14,747)</u>	<u>(10,137)</u>	<u>887</u>	<u>(23,997)</u>
Cash Flows Provided (Used) by Noncapital Financing Activities:				
Intergovernmental Revenues	196	616	-	812
Transfers From Other Funds	38,366	19,743	135	58,244
Transfers (To) Other Funds	<u>(21,633)</u>	<u>(2,656)</u>	<u>(278)</u>	<u>(24,567)</u>
Net Cash Flows Provided (Used) by Noncapital Financing Activities	<u>16,929</u>	<u>17,703</u>	<u>(143)</u>	<u>34,489</u>
Cash Flows Provided (Used) by Capital and Related Financing Activities:				
Proceeds from Bonds	1,610	3,528	-	5,138
Principal Payment on Bonds	(1,370)	(3,650)	-	(5,020)
Interest Paid on Bonds	(584)	(1,157)	-	(1,741)
Sale of Capital Assets	-	96	-	96
Acquisition of Capital Assets	<u>(1,486)</u>	<u>(3,508)</u>	<u>4</u>	<u>(4,990)</u>
Net Cash Flows Provided (Used) by Capital and Related Financing Activities	<u>(1,830)</u>	<u>(4,691)</u>	<u>4</u>	<u>(6,517)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	352	2,875	748	3,975
Cash and Cash Equivalents at Beginning of Year	4,740	5,290	8,561	18,591
Cash and Cash Equivalents at End of Year	<u>\$ 5,092</u>	<u>\$ 8,165</u>	<u>\$ 9,309</u>	<u>\$ 22,566</u>

Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities

Operating Income (Loss):	<u>\$ (18,689)</u>	<u>\$ (18,251)</u>	<u>\$ 136</u>	<u>\$ (36,804)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows Provided (Used) by Operating Activities:				
Depreciation and Amortization	2,706	5,253	1	7,960
(Increase) Decrease in Assets:				
Accounts Receivable	-	(271)	-	(271)
Inventories	-	10	-	10
Prepaid Items	(9)	-	-	(9)
Increase (Decrease) in Liabilities:				
Accounts Payable	497	73	109	679
Accrued Liabilities	5	(92)	(2)	(89)
Unearned Revenues	-	(4)	-	(4)
Risk Claims	-	-	541	541
Other Post Retirement Benefits	797	3,319	99	4,215
Compensated Absences	(54)	(174)	3	(225)
Total Adjustments	<u>3,942</u>	<u>8,114</u>	<u>751</u>	<u>12,807</u>
Net Cash Flows Provided (Used) by Operating Activities	<u>\$ (14,747)</u>	<u>\$ (10,137)</u>	<u>\$ 887</u>	<u>\$ (23,997)</u>

COMBINING STATEMENTS

Fiduciary Funds

Agency Funds

Agency funds are custodial in nature and are used to account for assets held by the County as an agent for individuals, private organizations, and other governmental units. Significant Agency Funds consist of Civil Court-ordered family support payments.

COUNTY OF MILWAUKEE
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For The Year Ended December 31, 2007
(In Thousands)

	<u>January 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>December 31, 2007</u>
<u>CIVIL COURT ORDERED AGENCY FUND FOR FAMILY SUPPORT/PAYMENTS</u>				
Cash and Investments	\$ 16,055	\$ 52,678	\$ 55,933	\$ 12,800
Total Assets	<u>\$ 16,055</u>	<u>\$ 52,678</u>	<u>\$ 55,933</u>	<u>\$ 12,800</u>
Agency Deposits	\$ 16,055	\$ 56,285	\$ 59,540	\$ 12,800
Total Liabilities	<u>\$ 16,055</u>	<u>\$ 56,285</u>	<u>\$ 59,540</u>	<u>\$ 12,800</u>
<u>OTHER AGENCY FUNDS</u>				
Cash and Investments	\$ 10,061	\$ 52,780	\$ 51,550	\$ 11,291
Other Receivables	-	39,290	39,290	-
Total Assets	<u>\$ 10,061</u>	<u>\$ 92,070</u>	<u>\$ 90,840</u>	<u>\$ 11,291</u>
Accounts Payable	\$ 150	\$ 19,855	\$ 19,674	\$ 331
Agency Deposits	9,911	37,336	36,287	10,960
Total Liabilities	<u>\$ 10,061</u>	<u>\$ 57,191</u>	<u>\$ 55,961</u>	<u>\$ 11,291</u>
<u>SUMMARY</u>				
Cash and Investments	\$ 26,116	\$ 105,458	\$ 107,483	\$ 24,091
Other Receivables	-	39,290	39,290	-
Total Assets	<u>\$ 26,116</u>	<u>\$ 144,748</u>	<u>\$ 146,773</u>	<u>\$ 24,091</u>
Accounts Payable	\$ 150	\$ 19,855	\$ 19,674	\$ 331
Agency Deposits	25,966	93,621	95,827	23,760
Total Liabilities	<u>\$ 26,116</u>	<u>\$ 113,476</u>	<u>\$ 115,501</u>	<u>\$ 24,091</u>

STATISTICAL SECTION (UNAUDITED)

STATISTICAL SECTION (UNAUDITED)

The information in this section is not covered by the Independent Auditor's report, but is presented as supplemental data for the benefit of the readers of the comprehensive financial report.

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the County's most significant local revenue sources, property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information

These schedules contain service and capital asset data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB 34 in 2002; schedules presenting government-wide information include information beginning in that year.



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